



TWENTY-FIRST JUDICIAL CIRCUIT
CITY OF BRECKENRIDGE HILLS, MISSOURI
MUNICIPAL DIVISION
TWO YEARS ENDED DECEMBER 31, 1998

**From The Office Of State Auditor
Claire McCaskill**

Report No. 2000-05
January 24, 2000

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

January 2000

During our audit of the Twenty-First Judicial Circuit, City of Breckenridge Hills, Missouri, Municipal Division, we identified certain management practices which we believe could be improved.

Cash receipts for bonds totaling at least \$13,978 were received and not deposited during the period January 1, 1997 through August 31, 1998. A bond ledger showing receipt, disbursement, and balance for each bond was not maintained. In addition, bond monies were not deposited intact on a timely basis, and monthly bank reconciliations were not prepared. These factors helped conceal the misappropriation of funds.

These misappropriations could have been prevented or detected on a more timely basis if adequate oversight and reviews had been performed and internal controls had been established.

The city of Breckenridge Hills Municipal Division accepts cash, checks, and money orders for payment of bonds. Cash bond payments are collected by the police department, recorded on a prenumbered bond form and a bond log, and are transmitted to the Court Clerk within a day of receipt. Check and money order payments for bonds received from other courts are also recorded on the prenumbered bond forms and police bond log by the Court Clerk. The Court Clerk deposits bond receipts into a separate bank account. Bonds are disbursed as the applicable case is settled in court.

In the Spring of 1999, the city hired a consultant to install an updated computerized accounting system for the court. As part of the implementation of the new system, the consultant prepared a listing of bond open items (liabilities) which was reconciled to the bond bank account balance. The open items balance exceeded the bank account balance by approximately \$14,000 at May 31, 1999. This difference was subsequently identified as bond monies received which had not been deposited.

Prior to May 1999, a bond ledger showing bond receipts, disbursements, and open balances was not maintained, monthly listings of open items were not being prepared, and the bond bank account was not being reconciled. The Court Clerk listed the bond receipts individually on deposit stubs indicating the corresponding bond form number next to each entry. Deposit stubs functioned as both a record of bonds receipted and a record of bonds deposited by the court. Though the police department also maintained a log of bonds receipted, there was no independent reconciliation of bonds collected by the police department to bonds deposited by the Court Clerk. In addition, the Court Clerk did not issue a receipt slip to the police department indicating which bonds had been transmitted to her.

(over)

YELLOW SHEET

Based on police department receipt records and various other records that were available, \$13,978 of bond monies collected by the police department from January 1, 1997 through August 31, 1998, were not recorded on deposit stubs or deposited by the Court Clerk. The Court Clerk responsible for depositing these monies was removed from that position on August 31, 1998 and resigned from the city in December 1998, prior to these discrepancies being discovered.

We recommend the municipal division, along with the city, continue to work with law enforcement officials regarding any criminal prosecution and to obtain restitution of the missing funds.

The duties of receiving, recording and depositing or transmitting monies are not adequately segregated and some receipts were not deposited or transmitted on a timely basis.

We recommend the municipal division establish a documented review of court accounting records by an independent person and deposit receipts intact daily or when accumulated receipts exceed \$100.

Phillip Algee serves as the Municipal Judge of the city of Breckenridge Hills. Jenny House served as Court Clerk through August 31, 1998. She was responsible for receiving, recording, depositing, and disbursing monies and preparing bank reconciliations.

TWENTY-FIRST JUDICIAL CIRCUIT
CITY OF BRECKENRIDGE HILLS, MISSOURI
MUNICIPAL DIVISION

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON
THE FINANCIAL STATEMENT**

Presiding Judge
Twenty-First Judicial Circuit
and
Municipal Judge
Breckenridge Hills, Missouri

We have audited the accompanying special-purpose financial statement of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit as of and for the years ended December 31, 1998 and 1997. This special-purpose financial statement is the responsibility of the municipal division's management. Our responsibility is to express an opinion on this special-purpose financial statement based on our audit.

Except as discussed in paragraph four, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statement was prepared for the purpose of presenting the receipts, disbursements, and changes in cash of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit and is not intended to be a complete presentation of the financial position and results of operations of the municipal division.

Internal controls and accounting records of the city of Breckenridge Hills Municipal Division were inadequate. At least \$13,978 in bond monies received by the court from January 1, 1997 through August 31, 1998 were misappropriated. In addition, records accounting for the numerical sequence and ultimate disposition of each traffic ticket and summons issued were not maintained

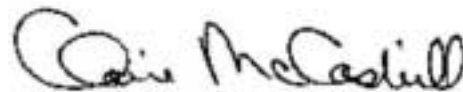
properly. As a result, we were unable to satisfy ourselves by appropriate audit tests or other means as to receipts and disbursements beyond amounts recorded in the municipal division's records for the years ended December 31, 1998 and 1997.

In our opinion, except for the effects, if any, on the financial statement of the matters discussed in the preceding paragraph, the special-purpose financial statement referred to in the first paragraph presents fairly, in all material respects, the receipts, disbursements, and changes in cash of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit as of and for the years ended December 31, 1998 and 1997, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

The city of Breckenridge Hills Municipal Division has not presented the disclosures required by Governmental Accounting Standards Board (GASB) Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, as amended by GASB Technical Bulletin 99-1, that the GASB has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, we do not provide assurance that the municipal division is or will become year 2000-compliant, that the municipal division's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the municipal division does business are or will become year 2000-compliant.

In accordance with *Government Auditing Standards*, we also have issued our report dated October 27, 1999, on our consideration of the municipal division's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the municipal division's management and was not subjected to the auditing procedures applied in the audit of the special-purpose financial statement referred to above.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill
State Auditor

October 27, 1999 (fieldwork completion date)



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Presiding Judge
Twenty-First Judicial Circuit
and
Municipal Judge
Breckenridge Hills, Missouri

We have audited the special-purpose financial statement of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated October 27, 1999. That report expressed a qualified opinion on the special-purpose financial statement. Except as discussed in the report on the financial statement of the municipal division, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the special-purpose financial statement of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit is free of material misstatement, we performed tests of the municipal division's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain other instances of noncompliance which are presented in the accompanying Management Advisory Report.

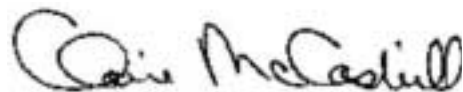
Internal Control Over Financial Reporting

In planning and performing our procedures related to the special-purpose financial statement of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit, we considered the municipal division's internal control over financial reporting in order to determine

our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statement and not to provide assurance on the internal controls over financial reporting. However, we noted certain matters involving the internal controls over financial reporting and their operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal controls over financial reporting that, in our judgement, could adversely affect the municipal division's ability to record, process, summarize, and report financial data consistent with the assertions of management in the special-purpose financial statement.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material to the special-purpose financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal controls over financial reporting would not necessarily disclose all matters in the internal controls that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we noted certain matters involving the internal controls over financial reporting and their operation that we consider to be material weaknesses, and these matters are presented in the accompanying Management Advisory Report.

This report is intended for the information of the management of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" being more prominent than the last name "McCaskill".

Claire McCaskill
State Auditor

October 27, 1999 (fieldwork completion date)

Financial Statement

Exhibit

TWENTY-FIRST JUDICIAL CIRCUIT
CITY OF BRECKENRIDGE HILLS, MISSOURI
MUNICIPAL DIVISION
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

	Year Ended December 31,	
	1998	1997
RECEIPTS		
Fines, costs, bonds, and other	\$ 311,562	244,920
Total Receipts	<u>311,562</u>	<u>244,920</u>
DISBURSEMENTS		
City treasury	295,201	231,744
State of Missouri (Note 3)	0	0
Refunds and others	9,879	11,306
Unaccountable (Note 4)	<u>8,222</u>	<u>5,756</u>
Total Disbursements	<u>313,302</u>	<u>248,806</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	-1,740	-3,886
CASH, JANUARY 1,	<u>10,101</u>	<u>13,987</u>
CASH, DECEMBER 31,	<u>\$ 8,361</u>	<u>10,101</u>

The accompanying Notes to the Financial Statement are an integral part of this statement.

Notes to the Financial Statement

TWENTY-FIRST JUDICIAL CIRCUIT
BRECKENRIDGE HILLS, MISSOURI
MUNICIPAL DIVISION
NOTES TO THE FINANCIAL STATEMENT

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statement presents only selected data for the funds administered by the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit of the state of Missouri.

Receipts, disbursements, and changes in cash are presented for the municipal division. The operating costs of the division are paid by the city of Breckenridge Hills and are not included in the financial statement.

The municipal division is responsible for cash bonds posted until case disposition allows appropriate disbursement. Bond monies relating to pending cases in the custody of the municipal division are included in the financial statement.

B. Basis of Accounting

The Statement of Receipts, Disbursements, and Changes in Cash is prepared on the cash basis of accounting; accordingly, amounts are recognized when they are received or disbursed. This basis of accounting differs from the generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Fiscal Authority and Responsibility

The municipal division accounts for fines and court costs resulting from prosecution of violations of municipal ordinances before the municipal judge or received through the traffic violations bureau, as well as cash bonds posted. Municipal violations could include traffic offenses, both moving and nonmoving; parking offenses; and other violations for which amounts are received by the municipal division and remitted to the city treasury. The municipal division also may account for restitutions received and disbursed through the division.

2. Cash

Section 479.080, RSMo 1994, requires municipal divisions to deposit fines and court costs into the city treasury at least monthly. The division does not maintain a bank account, transmitting fines and court costs directly to the City Clerk for deposit to the city treasury. A separate escrow bank account for bond monies received is maintained by the municipal division. At December 31, 1998 and 1997, the escrow bank account balance of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit was entirely covered by federal depositary insurance.

3. Disbursements to State

The municipal division collects various amounts that must be remitted to the state of Missouri. These amounts include the judgement for the Motorcycle Safety Trust Fund, and the surcharges for the Crime Victims' Compensation, Services to Victims Fund, and the Peace Officer Standards and Training Commission Fund. The state's portion of these amounts are deposited into the city treasury. Amounts remitted by the city to the state are not included in the financial statement.

4. Missing Funds

Bonds totaling at least \$8,222 in the year ended December 31, 1998 and \$5,756 in the year ended December 31, 1997, received by the police department but not deposited to the escrow account are included in receipts and are presented as unaccountable disbursements on the financial statement.

MANAGEMENT ADVISORY REPORT SECTION

Executive Summary

TWENTY-FIRST JUDICIAL CIRCUIT
CITY OF BRECKENRIDGE HILLS, MISSOURI
MUNICIPAL DIVISION
EXECUTIVE SUMMARY

Cash receipts for bonds totaling at least \$13,978 were received and not deposited during the period January 1, 1997 through August 31, 1998. A bond ledger showing receipt, disbursement, and balance for each bond was not maintained. In addition, bond monies were not deposited intact on a timely basis, and monthly bank reconciliations were not prepared. These factors helped conceal the misappropriation of funds.

These misappropriations could have been prevented or detected on a more timely basis if adequate oversight and reviews had been performed and internal controls, as noted in the accompanying Management Advisory Report, had been established.

Phillip Algee serves as the Municipal Judge of the city of Breckenridge Hills. Jenny House served as Court Clerk through August 31, 1998. She was responsible for receiving, recording, depositing, and disbursing monies and preparing bank reconciliations.

Management Advisory Report -
State Auditor's Current Recommendations

TWENTY-FIRST JUDICIAL CIRCUIT
CITY OF BRECKENRIDGE HILLS, MISSOURI
MUNICIPAL DIVISION
MANAGEMENT ADVISORY REPORT-
STATE AUDITOR'S CURRENT RECOMMENDATIONS

We have audited the special-purpose financial statement of the city of Breckenridge Hills Municipal Division of the Twenty-First Judicial Circuit as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated October 27, 1999. That report expressed a qualified opinion on the special-purpose financial statement for the years ended December 31, 1998 and 1997. Discrepancies in bond records were identified by a consultant hired to install a new computerized accounting system for the court. Mayor Archie Ledbetter requested the Office of State Auditor perform an audit of the court records.

The following Management Advisory Report presents our findings and recommendations arising from our procedures related to the municipal division's special-purpose financial statement. During those procedures, we also identified certain management practices which we believe could be improved. Our procedures were not designed or intended to be a detailed study of every system, procedure, and transaction. Accordingly, the findings presented in the following report should not be considered as all-inclusive of areas where improvements may be needed.

1.	Missing Funds
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The city of Breckenridge Hills Municipal Division accepts cash, checks, and money orders for payment of bonds. Cash bond payments are collected by the police department, recorded on a prenumbered bond form and a bond log, and are transmitted to the Court Clerk within a day of receipt. Check and money order payments for bonds received from other courts are also recorded on the prenumbered bond forms and police bond log by the Court Clerk. The Court Clerk deposits bond receipts into a separate bank account. Bonds are disbursed as the applicable case is settled in court.

In the Spring of 1999, the city hired a consultant to install an updated computerized accounting system for the court. As part of the implementation of the new system, the consultant prepared a listing of bond open items (liabilities) which was reconciled to the bond bank account balance. The open items balance exceeded the bank account balance by approximately \$14,000 at May 31, 1999. This difference was subsequently identified as bond monies received which had not been deposited.

Prior to May 1999, a bond ledger showing bond receipts, disbursements, and open balances was not maintained, monthly listings of open items were not being prepared, and the bond bank account was not being reconciled. The Court Clerk listed the bond receipts individually on deposit stubs indicating the corresponding bond form number next to each entry. Deposit stubs functioned as

both a record of bonds receipted and a record of bonds deposited by the court. Though the police department also maintained a log of bonds receipted, there was no independent reconciliation of bonds collected by the police department to bonds deposited by the Court Clerk. In addition, the Court Clerk did not issue a receipt slip to the police department indicating which bonds had been transmitted to her.

Based on police department receipt records and various other records that were available, \$13,978 of bond monies collected by the police department from January 1, 1997 through August 31, 1998, were not recorded on deposit stubs or deposited by the Court Clerk. The Court Clerk responsible for depositing these monies was removed from that position on August 31, 1998 and resigned from the city in December 1998, prior to these discrepancies being discovered.

WE RECOMMEND the municipal division, along with the city, continue to work with law enforcement officials regarding any criminal prosecution and to obtain restitution of the missing funds.

AUDITEE'S RESPONSE

The Municipal Judge and Court Clerk responded:

We agree and plan to continue to work with law enforcement officials to resolve this issue.

2. Accounting Controls and Procedures
--

- A. The duties of receiving, recording, and depositing or transmitting monies are not adequately segregated. The Court Clerk performs all of these duties. Neither the Municipal Judge nor other personnel independent of the cash custody and record-keeping functions provide any supervision or review of the work performed by the Court Clerk.

To safeguard against possible loss or misuse of funds, internal controls should provide reasonable assurance that transactions are accounted for properly and assets are adequately safeguarded. Since this is currently an office of one employee and proper segregation of duties cannot be achieved, at a minimum, there should be an independent comparison of monies receipted by the court and police department to deposits and transmittals to the city. Independent reviews should also include accounting for the numerical sequence of bond forms and receipt slips issued, and a reconciliation between the composition of bond forms and receipt slips issued and the composition of bond monies deposited to the municipal division bond bank account or fine and cost monies transmitted to the city.

- B. Some receipts were not deposited or transmitted on a timely basis. Fines and costs were sometimes held two to four days before being transmitted to the city. Bond monies were

held for an average of two to three weeks before being deposited. In addition, as noted in MAR No. 1, some bond monies were never deposited.

To adequately safeguard receipts and reduce the risk of loss or misuse of funds, deposits and transmittals should be made daily or when accumulated receipts exceed \$100.

- C. The municipal court issues prenumbered receipt slips for payments of fines and court costs. The method of payment (cash, check, or money order) is not always correctly marked on the face of the receipt slip. There were several instances where the composition of receipts per the receipt slips did not reconcile to the composition of the amounts transmitted.

To ensure receipts are deposited intact, the method of payment should be marked correctly and the composition of receipt slips issued should be reconciled to the composition of transmittals to the city. Such a review would help ensure monies are properly handled, recorded and transmitted.

A similar condition was noted in our prior report.

WE RECOMMEND the municipal division:

- A. Establish a documented review of court accounting records by an independent person.
- B. Deposit receipts intact daily or when accumulated receipts exceed \$100.
- C. Ensure the method of payment is recorded on each receipt slip and the composition of receipts is reconciled to the composition of transmittals.

AUDITEE'S RESPONSE

The Municipal Judge and Court Clerk responded:

A&B. We agree and this has already been implemented.

C. We agree.

3. Court Procedures

- A. While the city has established a Traffic Violations Bureau (TVB) that allows offenses to be paid prior to the court date, the Municipal Judge has not issued a court order to formally establish the TVB. Supreme Court Rule No. 37.49(a) allows for the establishment of a TVB by a court order prepared by the Municipal Judge.

This condition was also noted in our prior report.

- B. Procedures established to pursue the collection of delinquent accounts and failure to appear cases include issuing warrants; however, the court did not ensure some warrants were issued on a timely basis. Of twenty-four such cases selected for review, thirteen cases should have had a warrant issued for failure to appear, but did not. The municipal division estimates warrants have not been properly issued on approximately 2,000 cases.

Proper and timely issuance of warrants for amounts due to the court helps to maximize court revenue along with providing equitable treatment for those citizens who are paying fines and court costs when due.

- C. The Prosecuting Attorney does not always sign tickets after amendments or recommendations are made. To ensure the proper disposition of all cases has been entered in the court records, the Prosecuting Attorney should sign all amendments and recommendations.
- D. The court has not implemented adequate procedures to follow up on bonds held for over one year. As of July 31, 1999, the balance of the bond account included bonds totaling \$9,505 which have been held in excess of one year.

An attempt should be made to determine the proper disposition of these monies. This should include conducting a review of any bonds posted by persons who failed to make the required court appearance to determine if the bonds should be forfeited and monies paid over to the city treasury as provided by Section 479.210, RSMo 1994. Those bonds which cannot be forfeited and remain unclaimed for one year after disposition of the case should be turned over to the state's Unclaimed Property Section.

WE RECOMMEND the municipal division:

- A. Issue a court order to formally establish the TVB.
- B. Prepare and activate warrants on all applicable cases. The division should also ensure all warrants are being prepared and activated in a timely manner.
- C. Require the Prosecuting Attorney to sign all amendments and recommendations.
- D. Follow up on all bonds held for more than one year and dispose of bonds in accordance with state law.

AUDITEE'S RESPONSE

The Municipal Judge and Court Clerk responded:

A,B,
&C. *We agree.*

D. *Upon resolution of the missing bond monies, we will follow up and dispose of these bonds properly.*

4. Ticket Accountability

A. Neither the police department nor the court accounts for the numerical sequence and ultimate disposition of traffic tickets and summonses issued. A police department clerk enters the date issued, violator's name, and ticket number of all traffic tickets issued by the police department into the court's computer system. Likewise, the Court Clerk enters similar information for summonses issued by other city departments. However, a log of tickets and summonses issued is not generated from the computer to review for missing numbers. In addition, records of voided tickets are not maintained and police officers often do not retain their voided tickets or unused portions of ticket books. Out of 475 traffic tickets and summonses selected, thirty-three items which appear to have been either issued or voided during the audit period could not be accounted for properly. Another sixty-seven of these items, which appear to have been unissued, also could not be accounted for properly.

Without a proper accounting for the numerical sequence and ultimate disposition of traffic tickets and summonses, the police department and court cannot be assured that all tickets issued are properly submitted to the Court Clerk for processing. A log listing each ticket or summons number, the date issued, and the violator's name would help ensure all tickets and summons issued have been submitted to the court for processing, properly voided, or not prosecuted. In addition, a record should be maintained accounting for the ultimate disposition of each ticket and summons to ensure all tickets and summons have been accounted for properly.

This condition was also noted in our prior report.

B. Some records of convictions on traffic offenses were not forwarded to the Missouri State Highway Patrol (MSHP). Three of nineteen applicable items reviewed were not sent to the MSHP as required. Section 302.225, RSMo Cum. Supp. 1998, requires records of any pleas or findings of guilty on traffic violations under the laws of the state, county, or municipal ordinance to be forwarded to the MSHP within ten days of the conviction date.

WE RECOMMEND the municipal division:

A. Work with the police department to ensure the numerical sequence and ultimate disposition of traffic tickets and summonses issued are accounted for properly.

- B. Ensure all records of convictions on traffic violations are forwarded to the MSHP as required by state law.

AUDITEE'S RESPONSE

The Municipal Judge and Court Clerk responded:

- A. *We agree and this has already been implemented.*
- B. *We agree.*

This report is intended for the information of the municipal division's management and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Follow-Up on State Auditor's Prior Recommendations

TWENTY-FIRST JUDICIAL CIRCUIT
CITY OF BRECKENRIDGE HILLS, MISSOURI
MUNICIPAL DIVISION
FOLLOW-UP ON STATE AUDITOR'S PRIOR RECOMMENDATIONS

This section reports follow-up action taken by the city of Breckenridge Hills Municipal Division on recommendations made in the Management Advisory Report (MAR) of our report on the Twenty-First Judicial Circuit Municipal Divisions issued for the two years ended December 31, 1993. The prior recommendations which have not been implemented, but are considered significant, have been repeated in the current MAR. Although the remaining unimplemented recommendations have not been repeated, the court should consider implementing these recommendations.

City of Breckenridge Hills Municipal Division

- A.1. Prenumbered bond forms were not issued for bonds collected by other political subdivisions, nor were they recorded in the bond log. The method of payment received was not marked in the bond log or on the bond form by the police department. In addition, the Court Clerk did not reconcile the composition of bond monies received to the composition of monies deposited.
- 2. The Court Clerk did not maintain a bond ledger indicating the date and amount of receipt and the date of disbursement.
- B. Receipt slips issued by the court did not always indicate the method of payment received.
- C. The Municipal Judge did not sign the docket after dispositions were recorded.
- D. The Municipal Judge had not issued a court order to formally establish the city's Traffic Violations Bureau (TVB).
- E. Neither the police department nor the court accounted for the numeric sequence or the ultimate disposition of traffic tickets issued.

Recommendations:

The city of Breckenridge Hills Municipal Division:

- A.1. Request the police department to issue prenumbered bond forms for all bonds received and post all bonds to the bond log. In addition, the police department should record the method of payment on its bond log for all monies received and reconcile the composition of receipts to the composition of monies transmitted.
- 2. Maintain a bond ledger indicating date and amount of receipt and date of disbursement for all bonds received.

- B. Record the method of payment on all receipt slips issued and reconcile the composition of receipts to the composition of monies transmitted.
- C. Require the judge's signature on the court dockets.
- D. Issue a court order to formally establish the TVB.
- E. Work with the police department to ensure the numerical sequence and ultimate disposition of traffic tickets issued or accounted for properly. In addition, all voided tickets should be retained.

Status:

- A.1. Partially implemented. Prenumbered bond forms are now issued by the Court Clerk for bonds received from other political subdivisions and the method of payment is now marked on the face of the bond form. The method of payment is not marked in the police department bond log, however only cash is accepted by the police department now. In addition, the Court Clerk does not reconcile the composition of bond monies received to the composition of monies deposited.
- 2. Implemented in May 1999.
- B. Not implemented. See MAR No. 2.
- C. Implemented.
- D. Not implemented. See MAR No. 3.
- E. Not implemented. See MAR No. 4.

STATISTICAL SECTION

History, Organization, and
Statistical Information

TWENTY-FIRST JUDICIAL CIRCUIT
CITY OF BRECKENRIDGE HILLS, MISSOURI
MUNICIPAL DIVISION
HISTORY, ORGANIZATION,
AND STATISTICAL INFORMATION

The city of Breckenridge Hills Municipal Division is one of approximately eighty-five municipal divisions within the Twenty-First Judicial Circuit, which is composed of St. Louis County. The Honorable Robert S. Cohen serves as the Presiding Judge.

The municipal division is governed by Chapter 479, RSMo 1994, and by Supreme Court Rule No. 37 titled "Ordinance Violations and Traffic Violations Bureau (TVB)." Section 479.050, RSMo 1994, provides that each municipal division may establish a TVB in which fines and costs are collected at times other than during court and transmitted to the city treasury.

Operating Costs

The operating costs and court salaries of the municipal division are paid by the city of Breckenridge Hills.

Organization

The Court Clerk is responsible for recording transactions as well as handling collections and disbursements. The Assistant City Clerk or Police Clerk receives payments of fines and court costs when the Court Clerk is not present. The Breckenridge Hills Police Department collects bonds and transmits monies directly to the Court Clerk. Fines and court costs are transmitted to the City Clerk for deposit to the city treasury. Bond monies are deposited in a municipal division bank account pending disposition. Court is held twice a month. Although it has not been formally established, a TVB receives payments of fines and court costs at times other than during court.

Personnel

Municipal Judge	Phillip Algee
Court Clerk*	Vicki Sedberry

* Vicki Sedberry replaced Jenny House as Court Clerk on September 1, 1998. Jenny House served as Court Clerk from December 18, 1996 through August 31, 1998.

Caseload Information

	<u>Year Ended December 31,</u>	
	<u>1998</u>	<u>1997</u>
Number of cases filed	5,437	4,400